



No Romance Without Finance

Posted by [Pierluigi Oliverio](#) on Monday, August 09, 2010

Did you ever have a romantic relationship with someone that tested you in one way or another? Maybe you or someone you know dated or are dating a person where at first the relationship was great. You were carefree and really enjoying yourself—but suddenly realized that some of your actions have consequences?

Perhaps you really enjoyed eating out at restaurants together, mostly at really nice places. And maybe your frequency of dining out increased from once a week to five nights a week. You simply put it on your credit card and did not worry about it until you had to reconcile your monthly bill. But even then maybe you justified pulling out money from savings to pay your credit card bill each month, since the other person likes you soooo much, which makes you feel really good. Maybe from time to time you get them a gift like a watch—and your significant other really likes a high-end brand. You may stop and think about purchasing a lower-priced watch, but your sweetie says “if you really loved me, you would get me the really nice watch.”

When your savings dwindle you may have had the sobering realization that you were spending more than you were making. At this point you might have a conversation with your lover about the new realities of what you could actually afford. Your ability to love may be unlimited, but your bank account is not.

It is no wonder most divorces are caused by conflicts over finances.

This analogy reminds me of what I have heard many times from union representatives: that if the council really respected/appreciated them, we would pay them more, or continue paying them the current salary, benefits and pension.

This is a fair question if you have extra money. However, if the City only has so much, and even that pot of money is low, then you have to make choices.

I have said and have heard the same from my council colleagues that we respect the work of those employees that do great work for the City. However, words are cheap in comparison to tangibles like compensation. Just like the relationship I described above, you may want to spend more. However, you may not have the money to continue dating at the same style.

Like the City budget. If we don't have the money we once did, we are forced to freeze or cut spending. For the individual this might be car repair, utilities and groceries. For a city that might mean cutting libraries, information technology, community centers or any other department that is important to you. It also mean that each person in a romantic relationship or an employer relationship has free will and therefore has a choice to leave the relationship.

When it comes to money, it is important that we all learn how to adapt to changes in our lifestyle and work compensation. I don't say this lightly as nearly everyone is hurting in one way or another during this slow-growth and high-unemployment economy. I think my parents' generation adapted best to difficult circumstances as their generation generally had a high savings rate and were green before it was cool, since they reused everything.

The Council made a hard decision last week, against a sea of union opposition, to put pension reform on the ballot for the voters to decide. These votes are tough as elected officials naturally would prefer to be liked—just like the person in the romantic relationship described above.

I am hopeful that you—the voter—will support new pensions for new employees as we simply cannot afford the current pension system. I made the recommendation that the group working on pension reform recommendations to the Council should be the former Three Year General Fund Structural Deficit Elimination Plan Stakeholder Group that the Council approved in 2008. Some of the group members are: Pat Dando (Chamber of Commerce), Bob Brownstein (South Bay Labor Council), George Beattie (police union), Randy Sekany (firefighters union), Yolanda Cruz (MEF Union) and others, including a representative from the Silicon Valley Taxpayers Association. This group recommended to the Council in 2009 to raise taxes on card rooms which the Council then put on the ballot and the voters approved.

As we move into the future and we discuss new pensions for new employees, I take into consideration that some city positions, such as police or skilled chemists at the water pollution control plant, are tougher to recruit for than others. Therefore, for competitive positions, I think future compensation should be higher on salary to attract qualified candidates.

This 80's song by Gwen Guthrie reminds me of the relationship part of the blog. <http://www.youtube.com/watch?v=XecTPWJuOwk>

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